

Namoi: Floodplain harvesting in water sharing plans

What we heard report

August 2024

Acknowledgement of Country



Department of Climate Change, Energy, the Environment and Water acknowledges the traditional custodians of the land and pays respect to Elders past, present and future.

We recognise Australian Aboriginal and Torres Strait Islander peoples' unique cultural and spiritual relationships to place and their rich contribution to society.

Artist and designer Nikita Ridgeway from Aboriginal design agency – Boss Lady Creative Designs, created the People and Community symbol.

Namoi: Floodplain harvesting in water sharing plans

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Introduction

The NSW Government, through the Floodplain Harvesting Action Plan, is committed to licensing, regulating and measuring floodplain harvesting. Floodplain harvesting is the last significant way of taking water to be licensed in the Murray–Darling Basin (the Basin). The government is managing this process in a way that improves trust, confidence and transparency with stakeholders.

In 2008, the then NSW Government announced that water users taking water directly from floodplains would need a licence and a water supply work approval. Licences will specify the volume of water users can continue to legally take from floodplains.

Bringing floodplain harvesting into the licensing system will improve accounting for water use and compliance with water laws in NSW, making sure the volume of water taken stays within legal limits. In valleys such as the NSW Border Rivers, Gwydir and Namoi valleys where floodplain harvesting has grown taking total diversions beyond legal limits, licensing will reduce floodplain harvesting diversions and make more water available.

To make the rollout of licensing possible, the Department of Planning and Environment developed the NSW Floodplain Harvesting Policy, which provides a framework for licensing floodplain harvesting extractions. The policy, first introduced in 2013, is now being put into action across the northern Basin. The rules for floodplain harvesting licences will be set out in water sharing plans.

Water sharing plans are a statutory obligation under the NSW *Water Management Act 2000*. They set out rules for a water source or group of water sources, as well as the rules by which water is distributed to various users. These will include limits on the volume of water that water users can take under a floodplain harvesting licence.

Consultation

The department has consulted on the proposed rules that will be included in water sharing plans in each of the five northern inland valleys. We began the consultation process with the Border Rivers in October 2020 continuing with the Gwydir in February 2021, the Macquarie in March 2021, the Barwon–Darling in June 2022 and the Namoi in December 2022.

The five key rules in the water sharing plans that we asked for stakeholder feedback on are:

- available water determinations
- account management rules
- permanent trade rules
- access rules
- amendment provisions.

The department acknowledges that it is important for the community and stakeholders to raise issues and concerns about the proposed rules for floodplain harvesting licences through a transparent public submission process. The department encourages members of the community to have their say.

Many complex and varied viewpoints were represented in the submissions about floodplain harvesting in the Namoi Valley.

Because of the complexity of submissions, the department has used a qualitative approach to assess submissions and justify any changes we make to the proposed rules for floodplain harvesting access licences. The qualitative assessment approach ensures we consider all stakeholder feedback during the development of the final rules. It also allows the department to consider the underlying complexities of each submission and cater for examples where people have not understood the proposed rules, or where pre-filled submission forms highlight the same issues.

To ensure a balanced and comprehensive approach to consultation, the department is focused on the scope of issues and concerns raised rather than the number of submissions received. It is important that the department understands the reasoning for supporting or not supporting a proposed rule and responds to that.

Independent Expert Connectivity Panel

Amendments to water sharing plans in the Namoi Valley were paused as an independent Connectivity Expert Panel (the expert panel) was appointed to holistically consider the application of statutory restrictions to floodplain harvesting (regulated river) access licences in the northern Murray–Darling Basin to improve downstream outcomes.

The interim findings were handed down in April 2024 and now the final report has been released with 44 findings and 24 recommendations. The NSW Government is carefully reviewing the final recommendations report and will undertake detailed hydrological and economic modelling on all the Panel's proposed changes to fully understand their potential benefits and impacts.

While the NSW Government is focused on improving the health of Barwon–Darling river system it must be done in a way that does not have a detrimental impact on regional communities. Acknowledging the complexity of the issue, the priority is to ensure all water users have the opportunity to have their say. This includes the usual processes for water sharing plan amendments. This is a significant body of work that will take time. While this is important work is being done, it is proposed to progress with amendments to water sharing plans in the Namoi which are consistent with the proposed rules consulted on between December 2022 and March 2023.

About this report

This report summarises the feedback the department received during the public consultation sessions and from written submissions for the Namoi Valley. The report also outlines the proposed final rules that will appear in water sharing plans and the rationale for these. Additional feedback we received that is outside the scope of rules consulted on is in [Appendix 1](#).

Engagement methodology

The methodology we used to engage with stakeholders about floodplain harvesting in the Namoi Valley aligned with the department's principles. Public consultation must be:

- purposeful – undertaken with a clear understanding of what was to be achieved, and delivering on NSW Government priorities and the department's corporate goals
- inclusive – identifying and enabling the participation of all relevant stakeholders
- timely – allowing enough time for meaningful consultation, outlining timeframes up front and conducting engagement activities in an efficient manner
- transparent – explaining the engagement process, providing information to allow meaningful participation and setting clear expectations around how participants' input would inform outcomes
- respectful – acknowledging the needs, experience, perspective and expertise of participants.

Public exhibition of the proposed rules began in the Namoi on 1 December 2022 and ended on 29 January 2023 for the Lower Namoi regulated river water source and on 28 February 2023 for the Namoi unregulated river water sources. On 6 December 2022, the department held a public webinar and face-to-face meetings were held in Wee Waa on 13 December 2022 and in Gunnedah on 7 February 2023. Targeted consultation with First Nations peoples was undertaken in Gunnedah and Narrabri on 14 March 2023.

Information provided

The content covered in presentations included:

- an overview of the development of the river system model for the Namoi and how the model was used
- a summary of the downstream effects of licensing floodplain harvesting in the Namoi Valley
- the proposed rules for floodplain harvesting access licences to be included in the *Water Sharing Plan for the Namoi and Peel Unregulated River Water Sources 2012*
- the proposed rules for floodplain harvesting access licences to be included in the *Water Sharing Plan for the Upper Namoi and Lower Namoi Regulated River Water Sources 2016*.

We also gave information on the public exhibition period and how stakeholders could make a submission.

Two days before the public exhibition and formal start of consultation, the department published a series of technical reports on its website:

- *Namoi: Floodplain harvesting in water sharing plans – Report to assist community consultation*
- *Building the river system model for the Namoi regulated river system*
- *Floodplain Harvesting Entitlements for the Namoi Valley river system: Model scenarios*
- *Environmental outcomes of implementing the Floodplain Harvesting policy in the Namoi Valley: Technical report*
- *Modelled downstream effects of licensing floodplain harvesting - NSW Border Rivers, Gwydir, Macquarie, Namoi and Barwon–Darling valleys*

These reports give the technical detail to support the implementation of the policy in the Namoi Valley. They include the modelling results used to determine entitlements and predicted outcomes for the environment and downstream communities.

The *Report to assist community consultation* explains the proposed types of rules for floodplain harvesting access licences in the Namoi Valley. This report is crucial for stakeholders who want to make an informed submission.

Public consultation

The department emailed stakeholders to notify them of the availability of these reports. We invited these stakeholders to public consultation events:

- proposed floodplain harvesting licence holders
- farmers
- irrigators
- water user groups
- special interest groups
- Aboriginal community groups
- environmental groups
- the general public.

We did this through targeted emails, direct invitations through the department's contact database, local advertising, social media and website information.

Consultation purpose

The purpose of consultation was to:

- communicate the proposed rules for floodplain harvesting licences to be included in the Water Sharing Plan for the Namoi and Peel Unregulated River Water Sources 2012 and the Water Sharing Plan for the Upper Namoi and Lower Namoi Regulated River Water Sources 2016
- seek public feedback on these proposed rules
- ensure all stakeholders were given the opportunity to comment on the proposed rules before they were finalised
- provide a forum for stakeholders to communicate issues and assist with the effective implementation of the floodplain harvesting licensing framework
- enable the department to respond to stakeholders' concerns and, where appropriate, make changes to the rules before finalising them.

Stakeholder engagement

To ensure broad and equitable engagement, we extended invitations to the webinar and face-to-face meetings to representative groups for:

- irrigators and other peak water users
- Indigenous nations
- environmental interests
- business interests
- Australian Government, NSW Government and other state government agencies
- individuals who had made previous submissions or had attended previous engagement sessions
- regional councils
- local, state and federal politicians.

The department held targeted stakeholder meetings that included representatives from First Nations people. The feedback from these meetings will be provided in a separate report. Table 1 gives stakeholder and submission numbers.

Table 1. Stakeholder engagement

Engagement platform	Number of stakeholders engaged
Webinar	67
Face-to-face meeting Wee Waa (13 December 2022)	30
Face-to-face meeting Gunnedah (7 February 2023)	25
Submissions received	83

Final rules

We have developed the final set of rules for floodplain harvesting licences in the Namoi Valley based on the feedback from face-to-face consultation, submissions received and intended outcomes of licensing floodplain harvesting. Table 2 lists the final set of rules for floodplain harvesting (regulated river) access licences, along with their justification. Table 3 lists the final set of rules for floodplain harvesting (unregulated river) access licences, along with their justification.

Table 2. Final rules for floodplain harvesting (regulated river) access licences

Rule	Justification
Initial available water determination (AWD) of 1 ML per unit share, pro-rata if not credited on 1 July	Given the extensive flooding during 2021, 2022 and 2023 within the Namoi Valley and associated tributaries, an initial AWD (account initialisation) of greater than 1 ML per unit share is not required.
Ongoing AWD of 1 ML per unit share The use of AWDs of less than 1 ML per unit share as required to adaptively manage floodplain harvesting	An on-going AWD of 1 ML per unit share is consistent with other licence categories. To allow us to respond flexibly if water use increases the department may apply an AWD of less than 1 ML per unit share to ensure users comply with the extraction limit.
Account limit of 5 ML per unit share	The department will apply a 5-year accounting framework to floodplain harvesting (regulated river) access licences in the Lower Namoi Regulated River Water Source. The size of modelled entitlements for floodplain harvesting (regulated river) access licences is directly linked to the length of the accounting period. An annual accounting framework, with no ability to carry over water between years, will result in large entitlements. Conversely, a five-year accounting framework would average out the water taken between years, resulting in comparatively smaller entitlements. 5-year accounting minimises the risk of future growth in floodplain harvesting and the need for corrective action to be taken.
Permanent trade – within the designated floodplain	Floodplain harvesting licences are only issued for works located within the Upper Namoi Valley Floodplain, Lower Namoi Valley Floodplain and southern edge of the Gwydir Valley Floodplain. This is consistent with the intent of the NSW Floodplain Harvesting Policy.

Rule	Justification
	To ensure entitlement associated with floodplain harvesting (regulated river) access licences remains within these floodplains, a trade rule is proposed to restrict any dealings to works located outside the floodplain.
Permanent trade – management zones that largely reflect existing unregulated river water sources: • Within the Upper Namoi Valley Floodplain: - Maules Eulah management zone - Other (Upper Namoi) management zone • Within the Lower Namoi Valley Floodplain: - Baradine Etoo management zone - Lower Namoi management zone - Other (Lower Namoi) - Pian Creek • Within the Gwydir Valley Floodplain (southern edge): - Thalaba Creek management zone	In developing trade rules, the department has considered the potential for concentration of floodplain harvesting entitlement on the relevant declared floodplains. Based on this consideration, it was established that applying management zones for the purpose of trade, that largely reflect existing unregulated river water source boundaries with some merged to create trade opportunity, would prevent any future concentration of entitlement. The management zones will be established in the water sharing and no trade will be permitted between management zones.
Permanent trade – no new nomination of works used for floodplain harvesting if located within management zones: • AD or D as established in the Floodplain Management Plan for the Lower Namoi Valley Floodplain 2019 • AD or D as established in the Floodplain Management Plan for	In developing trade rules, the department has considered identified areas with high environmental value and/or cultural values. These identified areas have been defined in the <i>Floodplain Management Plan for the Gwydir Valley Floodplain 2016</i>, <i>Floodplain Management Plan for the Upper Namoi Valley Floodplain 2019</i> and <i>Floodplain Management Plan for the Lower Namoi Valley Floodplain 2020</i> as management zones A, AD and D. The department will apply a trade rule to floodplain harvesting (regulated river) access licences in the Lower Namoi Regulated River Water Source that restricts the nomination of new works if the work is located within management zone A, AD or D.

Rule	Justification
the Upper Namoi Valley Floodplain 2020 • A or D as established in the Floodplain Management Plan for the Gwydir Valley Floodplain 2016	The intended outcome of this rule is to limit to current levels the rate of take of existing works used for floodplain harvesting that are located within management zones A or D.
Granting or amending water supply work approvals nominated by a floodplain harvesting (regulated river) access licence	The following rules will be applied to applications for water supply work approvals that are, or are proposed to be, nominated by a floodplain harvesting (regulated river) access licences in the Lower Namoi Regulated River Water Source. These rules are designed to support the trade rules. The department will not grant or amend a water supply work approval that is, or is proposed to be, nominated by a floodplain harvesting (regulated river) access licence if the water supply work is located or proposed to be located: • outside the southern edge of the Gwydir Valley Floodplain (identified as Thalaba Creek Management Zone), Lower Namoi Valley Floodplain or Upper Namoi Valley Floodplain, or • for new works – within management zones A, AD or D, or • for existing works – within management zones A, AD or D and the modification would result in an increased capacity for that work, or • outside management zones A, AD or D and would result in an increase in the rate of take for an existing work located within management zones A, AD or D • within management zone AID (inside a flood flow corridor) if the work is also considered to be a flood work and does not have a flood work approval.
Access rules – Menindee Lakes and local in-valley flow targets	An access rule was proposed that restricted take under a floodplain harvesting (regulated river) access licence when there was less than 195 gigalitres (GL) total storage in the Menindee Lakes system except during periods when there was a flow of at least 4,500 ML/day in the Namoi River at the Bugilbone gauge. In response to feedback received, the department has increased the target from less than 195 GL total storage in Menindee Lakes to less than 195 GL active storage in Menindee Lakes. Active storage is expressed as the volume of water that can be delivered to the Lower Darling Regulated River Water Source from the

Rule	Justification
	Menindee Main Weir. Take under a floodplain harvesting (regulated river) access licence would be restricted when the target is met. Further, in response to feedback received, an additional local in-valley flow target of 4,600 ML/day in the Namoi River at the Boggabri gauge is included. This flow target would apply to floodplain harvesting in the Upper Namoi Valley Floodplain. The flow target of 4,500 ML/day in the Namoi River at the Bugilbone gauge would apply to floodplain harvesting in the Lower Namoi Valley Floodplain and southern edge of the Gwydir Valley Floodplain (identified as Thalaba Creek Management Zone). Both local in-valley flow targets equate to the flow required for anabranch connection. This water level begins to wet off-channel habitat and provides connectivity along anabranches. It can also commence to fill low lying wetlands. The finalised rule will prevent water being taken under a floodplain harvesting (regulated river) access licence when there is less than 195 GL active storage in Menindee Lakes, except during periods when there is a flow of at least: • 4,500 ML/day at the Bugilbone gauge (for floodplain harvesting in the Lower Namoi Valley or southern edge of the Gwydir Valley Floodplains), or • 4,600 ML/day at the Boggabri gauge (for floodplain harvesting in the Upper Namoi Valley Floodplain). Active storage expressed as the volume of water that can be delivered to the Lower Darling Regulated River Water Source from the Menindee Main Weir. Lastly, amendment provisions will be included that require the department to seek independent expert advice on the targets prior to 30 June 2025. This advice will be published, and stakeholder feedback sought on the advice. Based on this process, the targets may be amended.
Amendment provisions to allow for access rules to be introduced or refined when more information is available	Current modelling practices do not adequately represent the return of floodplain flows to the river. Without this information, the department cannot accurately calculate the floodplain's additional contribution to end-of-system flows. This information is critical for

Rule	Justification
	the assessment of access rules in achieving environmental and downstream outcomes. The department will include amendment provisions to allow for a refinement of access rules when improved information, including modelled return flows, is available.
Amendment provisions to allow for trade to rules to be modified in the future	The department will include amendment provisions to allow us to modify existing trade rules or to include new trade rules based on improved information.

Table 3. Final rules for floodplain harvesting (unregulated river) access licences

Rule	Justification
Compliance with the extraction limit	The rule taken to public consultation provided for allocations for floodplain harvesting (unregulated river) access licences to be reduced at the same rate as reductions to unregulated river access licences to respond to the any exceedance of the extraction limit. In response to feedback received, a change to this rule will provide for allocations for floodplain harvesting (unregulated river) access licences to be reduced to respond to the any exceedance that has occurred within those licences. This change will ensure no adverse impacts to the existing unregulated river access licences as a result of floodplain harvesting licensing with respect to future management actions to address extraction limit exceedance.
Initial available water determination (AWD) of 1 ML per unit share	Given the extensive flooding during the 2022/2023 water year within the Namoi Valley and associated tributaries, an initial AWD (account initialisation) of greater than 1 ML per unit share is not required. The initial AWD will be applied pro-rata if not credited at the beginning of the water year (1 July).
Ongoing AWD of 1 ML per unit share The use of AWDs of less than 1 ML per unit share as required to adaptively manage floodplain harvesting	An ongoing AWD of 1 ML per unit share is consistent with other licence categories. To allow us to respond flexibly if water use increases the department may apply an AWD of less than 1 ML per unit share to ensure users comply with the extraction limit.

Rule	Justification
Take limit of 3 ML per unit share over any 3 consecutive years Carryover limit of 1 ML per unit share	The accounting rules taken to public consultation included of a take limit of 3 ML per unit share over any 3 consecutive years, which is consistent with unregulated river access licences. Instead of the carryover limit applied to unregulated river access licences, an account limit of 3 ML per unit share was proposed for floodplain harvesting (unregulated river) access licences. In response to feedback received, the department will apply the take limit and carryover limit for unregulated river access licences to floodplain harvesting (unregulated river) access licences. This ensures equity between the two licence categories.
Permanent trade	All trade rules that currently apply to unregulated river access licences will be applied to floodplain harvesting (unregulated river) access licences. In addition, some specific trade rules for floodplain harvesting will be applied, as outlined below.
Permanent trade – within the designated floodplain	Floodplain harvesting licences are only issued for works located within the Upper Namoi Valley and Lower Namoi Valley Floodplains. This is consistent with the intent of the NSW Floodplain Harvesting Policy. To ensure entitlement associated with floodplain harvesting (unregulated river) access licences remains within these floodplains, a trade rule will restrict any dealings to works located outside the floodplain.
Permanent trade – no new nomination of works used for floodplain harvesting if located within management zones: • AD or D as established in the Floodplain Management Plan for the Lower Namoi Valley Floodplain 2019 • AD or D as established in the Floodplain Management Plan for	In developing trade rules, the department has considered identified areas with high environmental value and/or cultural values. These identified areas have been defined in the <i>Floodplain Management Plan for the Upper Namoi Valley Floodplain 2019</i> and <i>Floodplain Management Plan for the Lower Namoi Valley Floodplain 2020</i> as management zones AD and D. The department will apply a trade rule to floodplain harvesting (unregulated river) access licences in the Namoi Unregulated River Water Sources that restricts the nomination of new works if the work is located within management zone AD or D.

Rule	Justification
the Upper Namoi Valley Floodplain 2020	The intended outcome of this rule is to limit to current levels the rate of take of existing works used for floodplain harvesting that are located within management zones AD or D.
Granting or amending water supply work approvals nominated by a floodplain harvesting (unregulated river) access licence	The following rules will be applied to applications for water supply work approvals that are, or are proposed to be, nominated by a floodplain harvesting (unregulated river) access licences in the Namoi Unregulated River Water Source. These rules are designed to support the trade rules. The department will not grant or amend a water supply work approval that is, or is proposed to be, nominated by a floodplain harvesting (unregulated river) access licence if the water supply work is located or proposed to be located: • for new works – within management zones AD or D, or • for existing works – within management zones AD or D and the modification would result in an increased capacity for that work, or • outside management zones AD or D and would result in an increase in the rate of take for an existing work located within management zones AD or D • within management zone AID (inside a flood flow corridor) if the work is also considered to be a flood work and does not have a flood work approval.
Amendment provisions to allow for access rules to be introduced when more information is available	The intent of the amendment provisions is to allow for changes to be made to rules for floodplain harvesting in the future, if required, based on improved information. It acknowledges that there is currently a limited amount of information in relation to measurement and monitoring information related to floodplain harvesting and provides transparency on the scope of potential changes in the future.
Amendment provisions to allow for trade rules to be modified in the future	The department will include amendment provisions to allow us to modify existing trade rules or to include new trade rules based on improved information.

What we heard – stakeholder responses

General

Table 4 outlines feedback the department received across multiple consultation sessions and throughout submissions about the proposed rules. Some of the concerns that were raised in the Border Rivers, Gwydir, Macquarie and Barwon–Darling submission process were raised again in the Namoi.

Table 4. General themes

Theme	Description	Departmental response
Menindee target of 195 gigalitres (GL)	Target considered to be too low. Suggested increase to 450 GL or 480 GL with enough water to supply the Lower Darling River for 18 months.	In response to feedback received, the department has increased the Menindee target from a total storage volume of 195 GL to an active 195 GL storage volume. Note that an active storage volume excludes dead storage. This active target will be expressed as the volume of water that can be delivered to the Lower Darling Regulated River Water Source from the Menindee Main Weir. Further, commitment has been made via the amendment provisions to obtain independent expert advice on the Menindee and Wilcannia targets for floodplain harvesting prior to 30 June 2025. This advice must be published and views from stakeholders obtained. Based on this process, the targets may be amended.
Proposed volumes for floodplain harvesting licences	The proposed volumes to be licensed for floodplain harvesting are too high and will result in an exceedance of the extraction limit.	The share components for a licensed form of take will be larger than the long-term average volume of water taken. For example, 50,000- unit shares equates to an approximate long-term average volume of 20 GL. There is a common misconception that there are specific limits for each category of licence. There is an extraction limit which applies at a water source scale to all forms of water take. Floodplain harvesting entitlement has been determined to ensure that total extraction at

Theme	Description	Departmental response
		the water source scale does not exceed the extraction limit.
No trade for floodplain harvesting	Trade of floodplain harvesting will lead to adverse environmental and cultural outcomes.	The department has considered areas of environmental and cultural importance within the relevant floodplains in developing the proposed trade rules. The proposed trade rules will protect sensitive areas from extraction while preventing any future concentration of entitlement.

What we heard in response to proposed rules for floodplain harvesting (regulated river) access licences

Available water determinations

At the beginning of the water year, the Minister for Water determines the volume of water that is to be credited to each licence category through what is known as an allocation or available water determination (AWD). The AWD varies from year to year and between licence categories and is dependent on a range of factors including dam storage levels, river flows and catchment conditions.

Initial available water determination

Historically, an AWD greater than 1 ML per unit share has been applied to some access licence categories in the first year following the start of a water sharing plan. This recognises the potential carryover from previous years, use of long-term averages in determining the access licence entitlement and the associated need to take more in some years and less in others.

The department proposed and invited feedback on an initial AWD for floodplain harvesting (regulated river) licenses in the Lower Namoi Regulated River Water Source of 1 ML per unit share.

Most stakeholders did not support an initial AWD of 1 ML per unit share in submissions for floodplain harvesting (regulated river) licences. Some stakeholders suggested that an initial AWD of less than 1 ML per unit share would be more appropriate while other stakeholders expressed the view that an initial AWD of 5 ML per unit share would be appropriate in light of the delay in licensing floodplain harvesting and reduction to current access.

Table 5 and Table 6 list the main reasons stakeholders gave for supporting or opposing the proposed initial AWD of 1 ML per unit share.

Table 5. Reasons for supporting an initial AWD of 1 ML per unit share

Feedback	Department response
Annual allocations should not exceed 1 ML per unit share	The department agrees that allocations should not exceed 1 ML per unit share. The initial allocations will be applied pro-rata if not credited at the beginning of the water year (1 July).

Table 6 Reasons for not supporting an initial AWD of 1 ML per unit share

Feedback	Department response
The initial AWD should be 5 ML per unit share	Given the extensive flooding during the 2022/2023 water year within the Namoi valley and associated tributaries, an initial AWD of greater than 1 ML per unit share is not required.
The account should start full due to the delays in licensing	Recent modelling for the Namoi River system has demonstrated that there has been significant growth in total extraction above the extraction limit set under the water sharing plan and in the Basin Plan. An initial allocation greater than 1 ML per unit share is not appropriate given this growth.
The AWD should start at 500% as the licensing process is already enforcing a reduction of current access	Please refer to the response above.
Recommends an initial allocation of less than 1 ML per unit share	The licensing process will manage any growth in floodplain harvesting. As such, an initial allocation of less than 1 ML per unit share is not required. In response to growth not associated with floodplain harvesting, reduced allocations for supplementary water access licences are likely to be required.

Ongoing available water determinations

Most licence categories specify an AWD of 1 ML per unit share for each year after the first water year (or a lower amount if required to ensure users comply with extraction limits).

Most stakeholders supported an ongoing AWD of 1 ML per unit share or less if required to comply with extraction limits. Table 7 and Table 8 list the main reasons stakeholders gave for supporting or opposing the proposed ongoing AWD.

Table 7. Reasons for supporting an ongoing AWD of 1 ML per unit share or less

Feedback	Department response
Support if the share components are adequate	Share components for floodplain harvesting (regulated river) access licences will be determined using the best information available and newly improved river model. The process for determining the modelled share components is consistent with the process used in the other northern inland valleys of Border Rivers, Gwydir, Macquarie and Barwon–Darling.
Support an annual AWD of 1 ML per unit share but do not support any future reduction as the required reduction was made as part of the licensing process	The licensing process manages current growth in floodplain harvesting. The use of reduced allocations will manage, if required, any growth in floodplain harvesting in the future.
No more than 1 ML per unit share each year	The department agrees that allocations should not exceed 1 ML per unit share per year.
Deviations from 1 ML per unit share need to be supported by improvements to the model with adequate consultation	The department will use on-going allocations to manage any growth in floodplain harvesting licences that results in an exceedance of the extraction limit. This process involves using the best available information at the time, including the most recently updated river system model. For more information, please refer to the guidelines at https://www.industry.nsw.gov.au/water/allocations-availability/tracking-surface-water/ltaael-compliance-results

Table 8. Reasons for not supporting an ongoing AWD of 1 ML per unit share or less

Feedback	Department response
Allocations should be reduced to a level that is ecologically and culturally equitable.	Water sharing plans and the Basin Plan set extraction limits which are considered to be at ecologically sustainable levels. The next opportunity to review these limits will be as part of the Basin Plan review in 2026. The licensing of floodplain harvesting has occurred to ensure the extraction limit is not exceeded.
Do not support as there is too little water allocated to the environment	Noted.

Account management rules

Account management rules vary across NSW and between categories of access licences. However, they generally consist of a combination of limits on the amount of water that may be:

- taken annually or over a number of consecutive years, or both, or
- held in an allocation account at any time, or
- carried over from one year to the next.

The department proposed the following account management rules for floodplain harvesting (regulated river) access licences in the Lower Namoi Regulated River Water Source:

1. Account limit: 5 ML per unit share
2. Can carryover any unused allocation from one water year to the next subject to the account limit not being exceeded.

The department proposed five-year account management arrangements because they:

- control current growth
- provide the optimum level of protection against future growth
- deliver a range of positive environmental benefits
- give licence holders flexibility.

There was still a lack of understanding by some stakeholders about the account management rules with some stakeholders mistakenly perceiving that 5-year accounting would result in a larger volume of water being taken. Further, many stakeholders believed that 5-year accounting equates to 500% carryover. There was a common objection to a proposed 500 % carryover. A carryover of 500% (or 5 ML per unit share) would only occur if full allocations were credited and no water taken for 5 consecutive years.

Table 9 and Table 10 list the main reasons stakeholders gave for supporting or opposing the proposed account management rules.

Table 9. Reasons for supporting 5-year accounting

Feedback	Department response
Rules accurately reflects the seasonal nature of flooding events in northern ephemeral systems	Noted.
Rules must allow for meaningful access during periods when water us most abundant	Agree. Five-year accounting rules provides a high level of flexibility for landholders who can carry over any unused allocation between years. Water can be carried over until the account limit of 5 ML per unit share is reached. This allows for the better management of take over the long-term and the 5-year period mimics the availability of water during a flood event. These rules allow water to be taken at times when it is most plentiful.
Strikes a balance between recognition of the seasonal nature of floodplain harvesting whilst managing growth in use	Noted.

Table 10. Reasons for not supporting 5-year accounting

Feedback	Department response
Do not support 500% carryover as it would allow up to 273,750 ML of flood water to be extracted in one flood season	The share components for a licensed form of take will be larger than the long-term average volume of water taken. For example, 50,000- unit shares equates to an approximate long-term average volume of 20 GL. Accounting rules are designed together with entitlements to ensure that diversions remain within the water source legal extraction limits. Event based protections are provided through the access rules.
Recommends 1 year accounting with no carryover because of the very large scale of the extraction that the rules would allow	There is a misconception that 5-year accounting will lead to more water take than annual accounting. Accounting rules are designed together with entitlements to ensure that diversions remain within

Feedback	Department response
	the water source legal limits. In other words, 5-year accounting and annual accounting will permit the same volume of water to be taken. Annual accounting will mean more extraction from low and medium flows relative to 5-year accounting.
There should be no carryover	Entitlement size is comparatively larger under annual accounting, and this may increase the risk of growth if entitlement is traded to an area with comparatively more frequent access to flood flows or there are changes to way an irrigator uses their licenced entitlement. Appendix 1 of Namoi: Floodplain Harvesting in water sharing plans – A report to assist community consultation explains the difference in entitlement size between annual, 3-year and 5-year accounting.
Accounts should never be more than 1 ML per unit share	Please refer to the response above.

Trade rules

There are rules that govern the permanent trade of water entitlements. These rules vary from valley to valley depending on the unique ecological and hydrological characteristics that need protection.

The department proposed to establish management zones, shown in Figures 1 and 2, within each relevant floodplain that largely reflect one or more water source boundaries in the Namoi Unregulated River Water Sources and the Thalaba Creek Water Source in the Gwydir Unregulated River Water Sources:

- Within the Upper Namoi Valley Floodplain:
 - Maules Eulah management zone
 - Other (Upper Namoi) management zone
- Within the Lower Namoi Valley Floodplain:
 - Baradine Etoo management zone
 - Lower Namoi management zone
 - Other (Lower Namoi)
 - Pian Creek

- Within the Gwydir Valley Floodplain (southern edge):
 - Thalaba Creek management zone.

Further, the department proposed rules that would restrict the permanent trade of floodplain harvesting (regulated river) access licences between management zones, which would prevent a concentration of floodplain harvesting entitlement while providing for trade opportunities within each management zone. This approach ensures consistency, equality of rights and access to the water sources.

The department identified areas of high environmental, cultural, and hydrological value as part of the designation of floodplain management zones AD, D in the *Floodplain Management Plan for the Lower Namoi Valley Floodplain 2020* and *Floodplain Management Plan for the Upper Namoi Valley Floodplain 2019*, and management zones A and D in the *Floodplain Management Plan for the Gwydir Valley Floodplain 2016*. Based on these identified areas of value, the department proposed to establish a trading zone that reflects management zones A, AD and D and to restrict permanent trade of entitlement onto works that are located in those zones.

Most stakeholders supported the proposed management zones for the purpose of trade. However, many stakeholders opposed any trade of floodplain harvesting entitlement or opposed the proposed restriction on trade between management zones when there is a physical connection during times of flood.

Table 11 and Table 12 list the main reasons stakeholders gave for supporting or opposing the proposed management zones and trade rules.

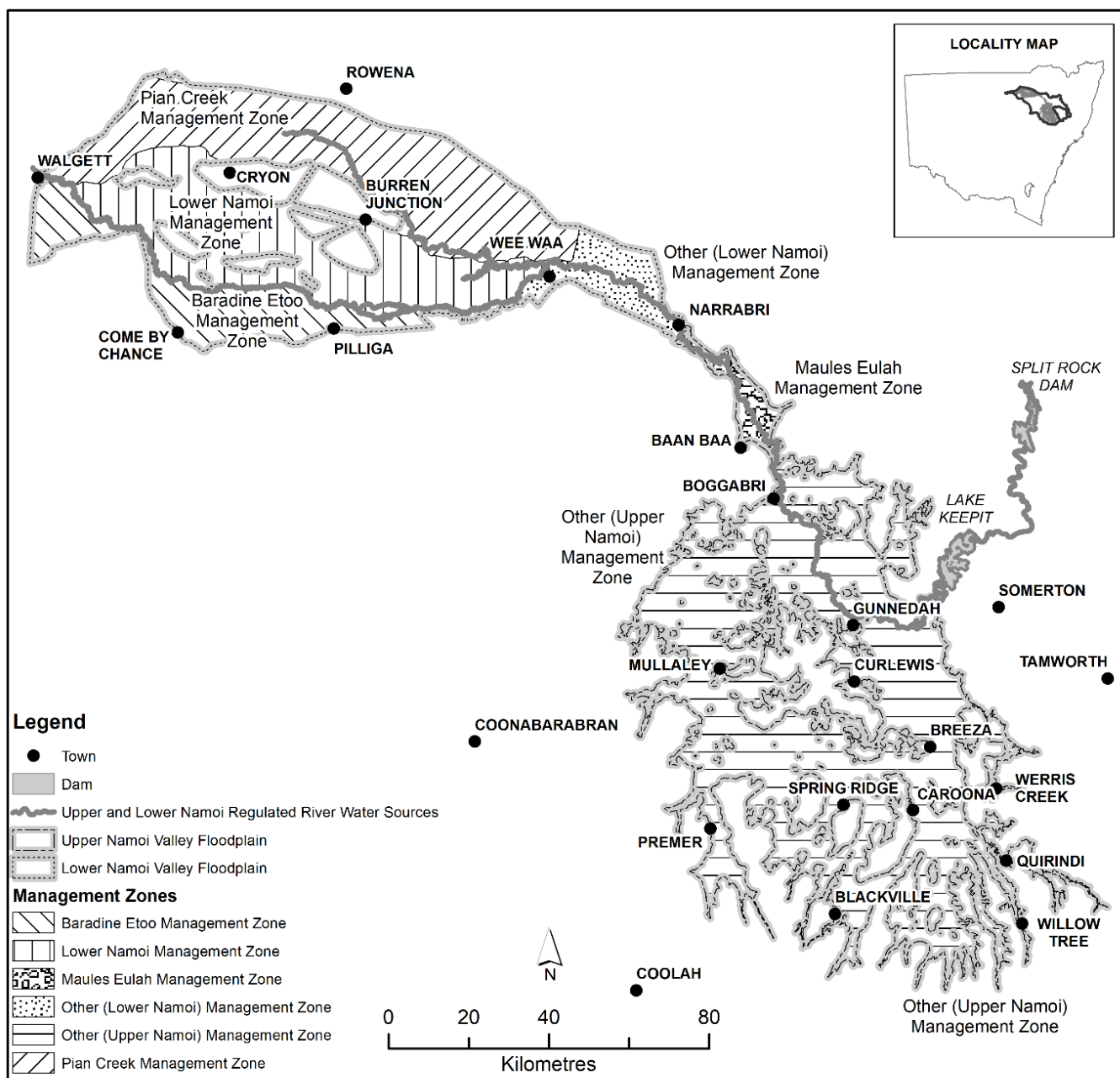
Table 11. Reasons for supporting the trade rules

Feedback	Department response
Management zones supported to prevent concentration through trade. However, rules must include how trades will be assessed if works straddle boundaries.	The management zones largely reflect the unregulated river water source boundaries. The zones have been established in a way that provides opportunity for trade while also protecting sensitive environmental areas. The department has identified issues associated with properties that span 2 or more management zones and is currently investigating options to allow for flexibility for these properties. This issue is not unique to floodplain harvesting.

Table 12. Reasons for not supporting the trade rules

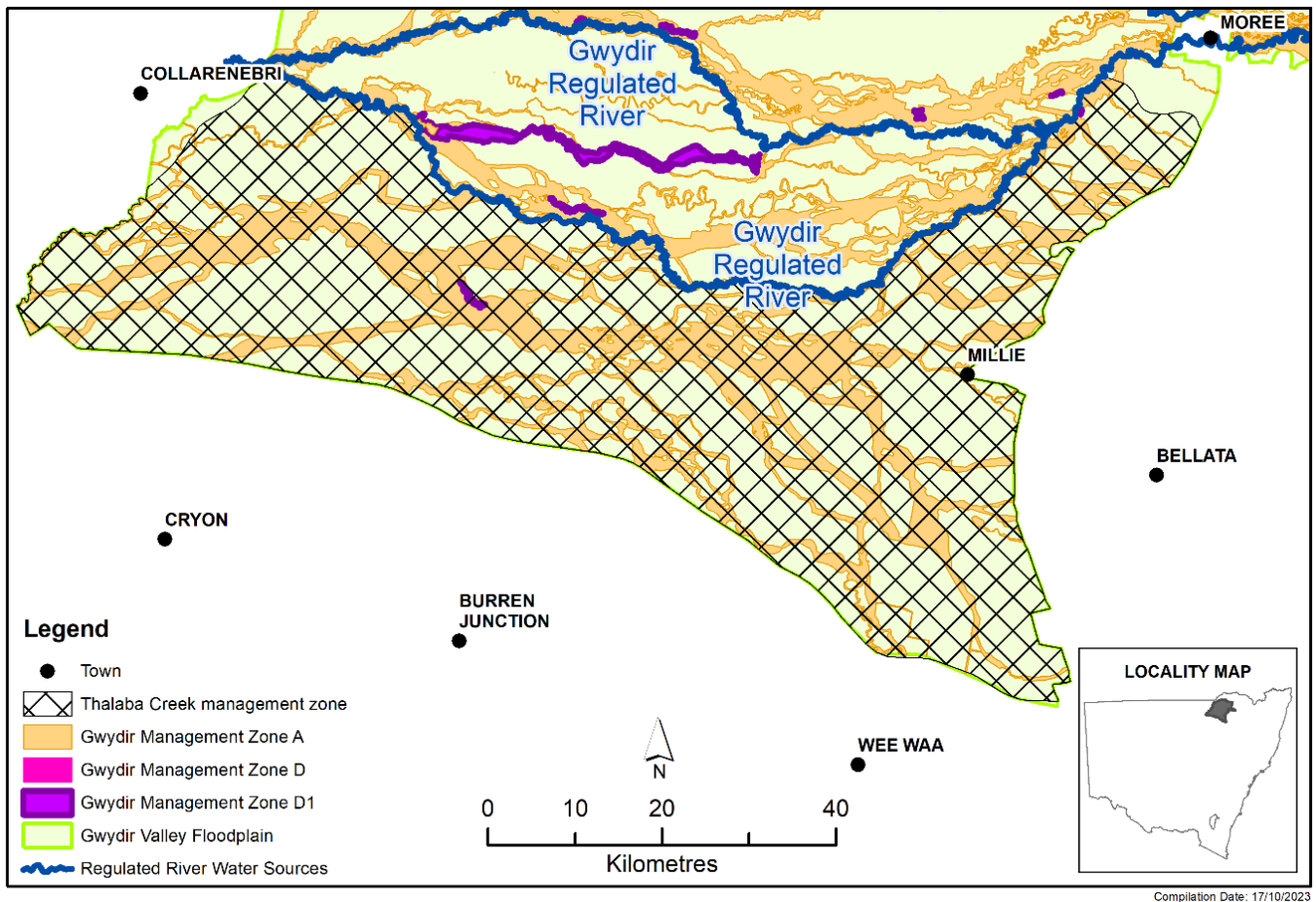
Feedback	Department response
There should be no trade of floodplain harvesting licences	The intent of the trade rules is to prevent concentration of entitlement and protect sensitive environmental and cultural areas of the floodplain. Schedule 3 of the Basin Plan 2012 establishes the Basin water market and trading objectives and principles. Free trade of surface water is required except where establishing a restriction is required due to a physical constraint, lack of connectivity, or the environment may be harmed. Trading restrictions must be justified to the Murray–Darling Basin Authority as part of the Water Resource Plan accreditation process.
Disagree with management zones as the water is highly connected to the river so should be traded more widely	The intent of the trade rules is to meet the requirements of the Basin Plan 2012 while preventing concentration of entitlement and protecting sensitive environmental and cultural areas of the floodplain.
Floodplain harvesting entitlement is valley-wide. Free trade should be permitted.	Please refer to the response above.
Trade will not allow additional access. Recommend a trade assessment of physical connectivity or clear proximity to allow trade between management zones.	Please refer to the response above.

Figure 1. Management zones in Upper Namoi and Lower Namoi Valley Floodplains



Completion Date: 13/01/2023

Figure 2. Thalaba Creek Management Zone



Rules for water supply work approvals

The department proposed a series of rules for the granting of new water supply work approvals or modification of existing water supply work approvals nominated by a floodplain harvesting access licence. The intended outcome of the rules is to complement and support the trade rules in restricting growth in the take capacity of works located within areas of identified environmental and/or cultural value and ensure floodplain harvesting is restricted to within the designated floodplains, which is consistent with the intent of the NSW Floodplain Harvesting Policy.

The rules restrict any new works being located in management zones A, AD and D, as established in the *Floodplain Management Plan for the Lower Namoi Valley Floodplain 2020*, *Floodplain Management Plan for the Upper Namoi Valley Floodplain 2019* and *Floodplain Management Plan for the Gwydir Valley Floodplain 2016*, or outside the designated floodplains. Further, existing works within management zones A, AD or D cannot be modified if it results in an increased capacity to take water.

For works that are considered to be a flood work and are located in management zone AID, as established in the *Floodplain Management Plan for the Lower Namoi Valley Floodplain 2020* or *Floodplain Management Plan for the Upper Namoi Valley Floodplain 2019*, a flood work approval will be required prior to the granting of a water supply work approval.

There was minimal feedback on the proposed rules. Instead, general acknowledgement was provided that the rules would discourage development of works on the floodplain and a request to remove or modify all unapproved works prior to the issue of floodplain harvesting licences. The latter is considered out of scope and is detailed in [Appendix 1](#).

Table 13 and Table 14 lists the main reasons stakeholders gave for not supporting or opposing the proposed rules for water supply work approvals.

Table 13. Reasons for supporting rules for water supply work approvals

Feedback	Department response
Support the rules provided works can be repaired, maintained or replaced	The rules are intended to prevent any further works from being located within areas of identified environmental and/or cultural value, such as wetlands, and restricting growth in the rate of take from existing works in these areas. The rules do not prevent a future need to repair or replace the works if the capacity of the work does not increase as part of the repair or replacement.
Support the rules as they discourage development of works	Please refer to the response above.

Table 14. Reasons for not supporting rules for water supply work approvals

Feedback	Department response
No new or expanded works should be constructed on floodplains for the purpose of diverting flow paths	The intent of the NSW Floodplain Harvesting Policy is to use existing works, that are determined to be eligible, as a basis for determining floodplain harvesting licences. Some of these existing works are located within management zones A, AD or D. Therefore, the rule in its current form is considered appropriate.

Access rules – Menindee and Bugilbone flow targets

To acknowledge the connectivity between the Barwon–Darling valley and the northern inland tributary valleys, and ensure flows are temporarily protected from floodplain harvesting during and following extreme dry periods, a series of new access rules are proposed to be applied to floodplain harvesting access licences across the northern Basin, including the Namoi.

These rules have been established in water sharing plans for the NSW Border Rivers Regulated River, Gwydir Regulated River, Barwon–Darling Unregulated River and Macquarie and Cudgegong Regulated Rivers.

The department proposed to apply a restriction to floodplain harvesting (regulated river) access licences when the total volume in the Menindee Lakes system was below 195 gigalitres (GL), except during periods when there is a flow of at least 4,500 megalitres (ML) per day in the Namoi River at the Bugilbone gauge.

Most feedback did not support the proposed target of 195 GL at Menindee Lakes or the 4,500 ML/day at Bugilbone due to the targets being too high or too low. Many submissions objected to the Bugilbone target due to a perceived inequity with other flow targets in northern inland catchments and proposed alternative targets of 3,000 ML/day at Boggabri and 2,600 ML/day at Bugilbone.

In response to this feedback, the department has revised the target from 195 GL total storage at Menindee Lakes to 195 GL active storage at Menindee Lakes. Active storage is the volume of water that can be delivered to the Lower Darling Regulated River Water Source from the Menindee Main Weir.

The department will also include an additional flow target of 4,600 ML/day in the Namoi River at the Boggabri gauge. This flow rate equates to the river height needed to achieve anabranch connection and is consistent with the objective of the flow rate at Bugilbone.

Lastly, a commitment has been made via the amendment provisions to obtain independent expert advice on the Menindee and Bugilbone targets for floodplain harvesting prior to 30 June 2025. This advice must be published and views from stakeholders obtained. Based on this process, the targets may be amended.

Table 15 lists the main reasons stakeholders gave for not supporting the proposed targets at Menindee and Bugilbone.

Table 15. Reasons for not supporting the Bugilbone and Menindee targets

Feedback	Department response
Object to the 195 GL trigger at Menindee. This trigger should be at least 450 GL.	The department has responded to this concern by increasing the Menindee target from 195 GL of total storage volume to 195GL of active storage volume.
Menindee target is inadequate to meet the water needs of the Lower Darling	Please refer to the response above.
Proposed Menindee target is too low and will rarely be triggered	Please refer to the response above.

Feedback	Department response
Flow targets are substantially lower than the Barwon–Darling resumption of flow targets	Through the amendment provisions, the department has committed to seeking independent expert advice on the flow targets prior to 30 June 2025. This advice will be published and views from stakeholders obtained. Based on this process, the targets may be amended. Further, under the Floodplain Harvesting Action Plan the NSW Government has committed to improving our river system models to represent flows from the floodplain to the rivers and using this to refine the management of floodplain harvesting licences, including the types of access rules applied.
Proposed flow targets are too low	Please refer to the response above.
The Bugilbone trigger is set too high in the flow range and is inconsistent with the levels set in other northern basin catchments. Trigger should equate to a small fresh	The intent of the flow targets is to ensure that critical first flush flows are protected during or following a dry period. This may involve protecting flood flows that may otherwise be taken under a floodplain harvesting licence. The department acknowledges that there is inconsistency between the flow targets in the Namoi and Barwon compared to the Macquarie and Gwydir. Through the amendment provisions, the department has committed to seeking independent expert advice on the flow targets prior to 30 June 2025. This advice will be published and views from stakeholders obtained. Based on this process, the targets may be amended.
Do not support the Bugilbone trigger as it will result in upstream water users being unable to access flows that would not make it to the end of the system	The department has responded to this concern by including an additional flow target of 4,600 ML/day in the Namoi River at the Boggabri gauge. This flow target would apply to floodplain harvesting in the Upper Namoi Valley Floodplain. The flow target of 4,500 ML/day in the Namoi River at the Bugilbone gauge would apply to floodplain harvesting in the Lower Namoi Valley Floodplain and

Feedback	Department response
	southern edge of the Gwydir Valley Floodplain (identified as Thalaba Creek Management Zone). Both local in-valley flow targets equate to the flow required for anabranch connection. This water level begins to wet off-channel habitat and provides connectivity along anabranches. It can also commence to fill low lying wetlands.
Recommend two triggers, one for Upper Namoi (3,000 ML/day at Boggabri) and one for Lower Namoi (2,600 ML/day at Bugilbone)	Please refer to the response above.
Flow targets are inadequate and should be based on environmental watering requirements instead of section 324 triggers	The flow targets at Bugilbone and Boggabri are based the flow rate requirements to achieve anabranch connection. This water level begins to wet off-channel habitat and provides connectivity along anabranches. It can also commence to fill low lying wetlands.

Amendment provisions

Section 45 of the *Water Management Act 2000* allows the department to amend water sharing plans. To improve transparency and increase confidence amongst stakeholders, we propose including specific amendment provisions that allow for the addition, removal or modification of provisions for floodplain harvesting (regulated river) access licences provided that they don't significantly alter the long-term volume of floodplain harvesting that can be taken under legal limits:

- to allow flexibility, should environmental flows be targeted to create overbank flow, or
- in response to monitoring, evaluation and reporting outcomes of environmental benefits from licensing floodplain harvesting, or
- in response to improved understanding of the influence of floodplain harvesting on downstream flows, or
- in response to work undertaken as part of the departmental commitment to improve connectivity in the northern Basin.

There was minimal specific feedback on the amendment provisions. Instead, many stakeholders raised concerns in relation to the linkage between the amendment of rules for floodplain harvesting and the river system model, and a desire to ensure local communities are considered and consulted as part of the amendment process.

Table 16 and Table 17 lists the main reasons stakeholders gave for supporting or opposing the proposed amendment provisions.

Table 16. Reasons for supporting the amendment provisions

Feedback	Department response
Support amendment provisions that permit the reduction of floodplain harvesting diversions to protect environmental, social and cultural values.	Noted.
Support amendment provisions. However, they need to enable reductions to floodplain harvesting as our understanding of downstream needs and groundwater replenishment improves	The amendment provisions allow for increases or decreases to allocations for floodplain harvesting access licences in the future to respond to improved information and/or differences between the volume licensed and the volume taken over the long-term.

Table 17. Reasons for not supporting the amendment provisions

Feedback	Department response
Amendment provisions must be strengthened to allow for genuine improvement. They should not lock in long-term volumes for floodplain harvesting.	Please refer to the response above.
No amendments are supported until they can be considered with a fit for purpose model	Amendments allow for flexibility in the future based on improved information.
Amendments need to articulate the implementation process ensuring consultation and engagement of the community in any future decisions	Noted.
Recommend an amendment provision that requires the recalibration of the model using floodplain harvesting measurement information at year 5 or after a flood event	The river system model is continually updated based on the best available information. This occurs as part of calculating the long-term average annual extraction limit and assessing compliance with this limit each year. A full model recalibration is proposed once sufficient measurement data is available. The timeframe for this is heavily dependent on climate conditions but is expected to occur between 5-10 years.
Any amendment must acknowledge the cumulative effect of water reform and put the local communities at the centre of decision making	Noted.
Amendment provisions must not include 'provided they don't significantly alter the long-term volume of floodplain harvesting that can be taken under legal limits'	Noted. The objective of these amendment provisions is to allow changes to the timing of when flows can be accessed as required to better meet the needs of the environment and other high priority uses. Its purpose is not to reduce the volume of water permitted to be taken overall by floodplain harvesting within the water source legal limits.

What we heard in response to proposed rules for floodplain harvesting (unregulated river) access licences

The process for determining floodplain harvesting (unregulated river) access licences is the same as that used to determine unregulated river access licences. As the entitlement determination process is the same, we propose to apply the same rules to floodplain harvesting (unregulated river) access licences as currently exist for unregulated river access licences in the relevant water source and/or management zone, where appropriate.

We will not apply rules that are specifically designed to protect water flowing within rivers and streams, rather than flows on the floodplain, to floodplain harvesting (unregulated river) access licences.

Available water determinations

For floodplain harvesting (unregulated river) licences in the Namoi Unregulated River Water Sources, the department invited feedback on

- an initial available water determination (AWD) of 1 ML per unit share
- an ongoing AWD of 1 ML per unit share every year (or a lesser amount to ensure compliance with the extraction limit).

There was minimal specific feedback received in relation to the proposed available water determinations. Of the feedback received, most stakeholders recommended an initial AWD of 3 ML per unit share to reflect the proposed 3-year accounting framework and supported the ongoing AWD of 1 ML per unit share. However, these stakeholders opposed any future reduction in AWDs as they felt the required reduction was made as part of the licensing process.

Table 18 and Table 19 list the main reasons stakeholders gave for supporting or opposing the proposed initial and ongoing AWD of 1 ML per unit share.

Table 18. Reasons for supporting the proposed available water determinations

Feedback	Department response
Support an initial AWD of 1 ML per unit share	Noted.
Support an annual AWD of 1 ML per unit share but do not support any future reduction as the	This feedback is considered to be relevant for the regulated river and not the unregulated river.

Feedback	Department response
required reduction was made as part of licensing process	The licensing process for floodplain harvesting (unregulated river) access licences is a repeat of the process used to determine unregulated river access licences. This process was not influenced by a need to comply with the extraction limit.

Table 19. Reasons for not supporting the proposed available water determinations

Feedback	Department response
The initial AWD should be 3 ML per unit share to reflect the 3 year accounting rules	Given the extensive flooding during the 2022/2023 water year within the Namoi valley, an initial AWD of greater than 1 ML per unit share is not required.
The initial AWD should be greater than 1 ML per unit share as the licensing process is already enforcing a reduction of current access	The licensing process for floodplain harvesting (unregulated river) access licences is a repeat of the process used to determine unregulated river access licences. Compliance with the extraction limit is managed separately to the licensing process in unregulated rivers.
Recommends an initial AWD of less than 1 ML per unit share and no more than 1 ML per unit share for following years	Noted.

Account management rules

Account management rules vary across NSW and between categories of access licences. However, they generally consist of a combination of limits on the amount of water that may be:

- taken annually or over a number of consecutive years, or both, or
- held in an allocation account at any time, or
- carried over from one year to the next.

The department proposed to largely replicate the account management rules for unregulated river access licences for floodplain harvesting (unregulated river) access licences in the Namoi

Unregulated River Water Sources:

- Take limit: 3 ML per unit share over 3 consecutive years
- Account limit: 3 ML per unit share at any time.

In stakeholder submissions, there was a common objection to a proposed 300% carryover. A carryover of 300% (or 3 ML per unit share) would only occur if full allocations were credited and no water taken for 3 consecutive years. Stakeholders also raised concern in relation to a perceived inequality with account management rules for unregulated river access licences. Specifically, the latter has a 1 ML per unit share limit on carryover which was not replicated in the proposed account management rules for floodplain harvesting (unregulated river) access licences.

In response to this feedback, the department has revised the account management rules for floodplain harvesting (unregulated river) access licences and will apply those that are currently applied to unregulated river access licences. Specifically, the department will apply the take limit and carryover limit for unregulated river access licences to floodplain harvesting (unregulated river) access licences. This ensures equity between the two licence categories.

Table 20 and Table 21 list the main reasons stakeholders gave for supporting or opposing the proposed account management rules.

Table 20. Reasons for supporting the proposed account management rules

Feedback	Department response
Rules accurately reflects the seasonal nature of flooding events in northern ephemeral systems	Noted.
Rules must allow for meaningful access during periods when water us most abundant	Noted.

Table 21. Reasons for not supporting the proposed account management rules

Feedback	Department response
Do not support the proposed take limit of 3 ML per unit share and account limit of 3 ML per unit share	The licensing process for floodplain harvesting (unregulated river) access licences is a repeat of the process used to determine unregulated river access licences. The intent of the account management rules is to mirror the rules that are currently applied to unregulated river access licences.
Do not support 300% carryover as it would allow up to 255,210 ML of flood water to be extracted in one flood season	Please refer to the response above.

Feedback	Department response
Recommends 1 year accounting with no carryover because of the very large scale of the extraction that the rules would allow	Please refer to the response above.
Accounts should never be more than 1 ML per unit share	Please refer to the response above.
Object to 300% carryover	The department has responded to this concern by replacing the proposed account limit of 3 ML per unit share with a carryover limit of 1 ML per unit share.
Difference between account management rules for floodplain harvesting and unregulated river access licences when they are accessing the same resource	The department has made changes to ensure the account management rules for floodplain harvesting (unregulated river) access licences and unregulated river access licences are the same.

Trade rules

There are rules that govern the permanent trade of water entitlements. These rules vary from valley to valley, depending on existing trade rules in the relevant water sharing plan and identified areas that need protection. The department proposed to apply the trade rules that currently exist for unregulated river access licences to floodplain harvesting (unregulated river) access licences. This will ensure consistency, equality of rights and access to the water source.

In addition, the department has identified areas of high environmental, cultural, and hydrological value as part of the designation of floodplain management zones AD and D in the *Floodplain Management Plan for the Lower Namoi Valley Floodplain 2020* and *Floodplain Management Plan for the Upper Namoi Valley Floodplain 2019*. Based on these identified areas of value, the department had proposed to establish a trading zone that reflects management zones AD and D in the *Floodplain Management Plan for the Lower Namoi Valley Floodplain 2020* and *Floodplain Management Plan for the Upper Namoi Valley Floodplain 2019* and to restrict permanent trade of entitlement onto works that are located in those zones.

There was minimal specific feedback received on the proposed trade rules. Some stakeholders opposed any trade of floodplain harvesting entitlement while others opposed the existing trade rules applied to unregulated river access licences in relation to the restriction on trade between management zones when there is a high level of connectivity.

Table 22 lists the main reasons stakeholders gave for opposing the proposed trade rules.

Table 22. Reasons for not supporting the trade rules

Feedback	Department response
Strongly object to any trade of floodplain harvesting licences	Under the Basin Plan 2012, free trade of surface water is required except where establishing a restriction is required due to a physical constraint, lack of connectivity, or the environment may be harmed. Trading restrictions must be justified to the Murray–Darling Basin Authority as part of the Water Resource Plan accreditation process.
The unregulated river trade rules were implemented without any consultation on the assessment process, resulting in an inability to trade despite high levels of connectivity	The <i>Water Sharing Plan for the Namoi and Peel Unregulated River Water Sources 2012</i> is due to be replaced in 2023-2024. This process will include a review of the existing trade rules and significant consultation.
Recommend a trade assessment of physical connectivity or clear proximity to allow trade between management zones.	The intent of the trade rules is to prevent concentration of entitlement and protect sensitive environmental and cultural areas of the floodplain.
The rules should be tightened to ensure adequate environmental flows to unregulated streams	Please refer to the response above.
Trade of floodplain harvesting entitlements will likely lead to a loss of connectivity and harm to cultural and environmental assets	Please refer to the response above.

Rules for water supply work approvals

The department proposed a series of rules for the granting of new water supply work approvals or modification of existing water supply work approvals nominated by a floodplain harvesting access licence. The intended outcome of the rules is to complement and support the trade rules in restricting growth in the take capacity of works located within areas of identified environmental and/or cultural value and ensure floodplain harvesting is restricted to within the designated floodplain, which is consistent with the intent of the NSW Floodplain Harvesting Policy.

The rules restrict any new works being located in management zones AD and D, as established in the *Floodplain Management Plan for the Lower Namoi Valley Floodplain 2020* and *Floodplain Management Plan for the Upper Namoi Valley Floodplain 2019*, or outside the designated floodplains.

Further, existing works within management zones AD or D cannot be modified if it results in an increased capacity to take water.

For works that are considered to be a flood work and are located in management zone AID, as established in the *Floodplain Management Plan for the Lower Namoi Valley Floodplain 2020* or *Floodplain Management Plan for the Upper Namoi Valley Floodplain 2019*, a flood work approval will be required prior to the granting of a water supply work approval.

There was minimal feedback on the proposed rules. Instead, general acknowledgement was provided that the rules would discourage development of works on the floodplain and a request to remove or modify all unapproved works prior to the issue of floodplain harvesting licences. The latter is considered out of scope for this submission process and is detailed in Appendix 1.

Table 23 and Table 24 lists the main reasons stakeholders gave for supporting or opposing the proposed rules for water supply work approvals.

Table 23. Reasons for supporting rules for water supply work approvals

Feedback	Department response
Support the rules as they discourage development of works	The rules are intended to prevent any further works from being located within areas of identified environmental and/or cultural value, such as wetlands, and restricting growth in the rate of take from existing works in these areas. The rules do not prevent a future need to repair or replace the works if the capacity of the work does not increase as part of the repair or replacement.

Table 24. Reasons for not supporting rules for water supply work approvals

Feedback	Department response
No new or expanded works should be constructed on floodplains for the purpose of diverting flow paths	The intent of the NSW Floodplain Harvesting Policy is to use existing works, that are determined to be eligible, as a basis for determining floodplain harvesting licences. Some of these existing works are located within management zones A or AD. Therefore, the rule in its current form is considered appropriate.

Amendment provisions

Section 45 of the *Water Management Act 2000* allows the department to amend water sharing plans. To improve transparency and increase confidence amongst stakeholders, we propose including specific amendment provisions that allow for the introduction of access rules:

- to allow flexibility, should environmental flows be targeted to create overbank flow, or
- in response to monitoring, evaluation and reporting outcomes of environmental benefits from licensing floodplain harvesting, or
- in response to improved understanding of the influence of floodplain harvesting on downstream flows, or
- in response to work undertaken as part of the departmental commitment to improve connectivity in the northern Basin.

There was minimal specific feedback on the amendment provisions. Instead, many stakeholders raised concerns in relation to the linkage between the amendment of rules for floodplain harvesting and the river system model, and a desire to ensure local communities are considered and consulted as part of the amendment process.

The feedback received on the amendment provisions did not differ between the regulated and unregulated river despite the proposed amendment provisions being different.

Table 25 and Table 26 lists the main reasons stakeholders gave for supporting or opposing the proposed amendment provisions.

Table 25. Reasons for supporting the amendment provisions

Feedback	Department response
Support amendment provisions that permit the reduction of floodplain harvesting diversions to protect environmental, social and cultural values.	Noted.
Support amendment provisions. However, they need to enable reductions to floodplain harvesting as our understanding of downstream needs and groundwater replenishment improves	Noted.

Table 26. Reasons for not supporting the amendment provisions

Feedback	Department response
Amendment provisions must be strengthened to allow for genuine improvement. They should not lock in long-term volumes for floodplain harvesting.	<i>Noted.</i>
No amendments are supported until they can be considered with a fit for purpose model	This feedback is considered to be relevant for the regulated river and not the unregulated river.
Amendments need to articulate the implementation process ensuring consultation and engagement of the community in any future decisions	<i>Noted.</i>
Recommend an amendment provision that requires the recalibration of the model using floodplain harvesting measurement information at year 5 or after a flood event	This feedback is considered to be relevant for the regulated river and not the unregulated river.
Any amendment must acknowledge the cumulative effect of water reform and put the local communities at the centre of decision making	<i>Noted.</i>

Default and other rules

The department detailed a series of default rules that are required in water sharing plans. We gave these rules for context; they were not subject to the outcomes of consultation.

Table 28 outlines the final default rules and others, as well as their justification.

Table 27. Final default rules and their justification

Rule	Justification
Compliance with the extraction limit	In the Lower Namoi Regulated River Water Source, this rule will provide for allocations for floodplain harvesting (regulated river) access licences to be reduced to respond to the exceedance that has occurred within those licences Feedback was received on the default rule for compliance with the extraction limit in the Namoi Unregulated River Water Source. In response to this feedback the department has refined the rule which will now provide for allocations for floodplain harvesting (unregulated river) access licences to be reduced to respond to the any exceedance that has occurred within those licences.
No temporary trade	Consistent with the <i>NSW Floodplain Harvesting Policy</i>
Mandatory condition of floodplain harvesting access licences	Floodplain harvesting access licences can only take water from overland flow

Next steps

The department will seek to amend the relevant water sharing plans to ensure the rules for floodplain harvesting access licences are included and can be applied. Amendment orders for the relevant water sharing plans will be made. This process will require approval by the NSW Minister for Water and concurrence from the NSW Minister for the Environment.

As a result of the amendments to the water sharing plans for floodplain harvesting, the department will need to amend the relevant water resource plan. The department must then submit the amended water resource plan to the Murray–Darling Basin Authority for accreditation.

Appendix 1 – Broader issues

Table 28. Broader issues raised during consultation

Issue	Department response
Object to the proposal to grant 113 floodplain harvesting licences in the Namoi Regulated River with a total value of 54,750 unit shares (or ML).	Noted. Floodplain harvesting entitlement will be determined to ensure that total extraction at the water source scale does not exceed the extraction limit.
Object to the proposal to grant 53 floodplain harvesting licences in the Namoi Unregulated River with a total value of 85,070 unit shares (or ML).	Noted. Floodplain harvesting entitlement will be determined using the same volumetric conversion approach as applied to unregulated river access licences. Metering and extraction limit compliance will ensure that extraction at the water source scale does not exceed the extraction limit.
No floodplain harvesting entitlement should be issued until all identified hotspot works are remediated.	The Improving Floodplain Connections program, currently being undertaken by the department, will accelerate the process of bringing unapproved or non-compliant flood works in more than 100 priority areas in the northern Basin into compliance by mid-2024. Unapproved flood works will not be authorised for floodplain harvesting.
Floodplain harvesting licences should not be issued to existing works that do not have a water supply work approval.	Licensing floodplain harvesting includes assessing and granting associated water supply work approvals for works used for floodplain harvesting. Unapproved flood works will not be authorised as a water supply work for floodplain harvesting.
Policy should account for extreme weather. Limiting access during major flood events will only put further flood pressure on downstream communities.	Noted.
Flow targets should be underpinned by the best available scientific information. Recommend those	Through the amendment provisions, the department has committed to seeking independent expert advice on the flow targets prior to 30 June 2025. This advice

Issue	Department response
set out as environmental watering requirements in the long-term watering plans.	will be published and views from stakeholders obtained. Based on this process, the targets may be amended.
The feedback form is poorly formatted and largely unusable.	The department acknowledges some difficulty with the feedback form and will take steps to improve this in future periods of public consultation. Stakeholders were not limited to this feedback form in the submission process. Other ways to make a submission were available and these were highlighted at public meetings.
The e-source model used for the Namoi floodplain harvesting has been rejected by industry in its current state.	The department acknowledges that there has been a significant amount of interest in the models used in implementing the NSW Floodplain Harvesting Policy. For more information on how the Namoi model was built, the information used and level of accuracy, please refer to the relevant modelling reports on our website https://water.dpie.nsw.gov.au/home
No confidence in the model. There were changes made that are different to the hydraulic model developed for the floodplain management plan process.	Please refer to the response above.
There should be no further progression of floodplain harvesting in the Namoi until the model has been peer reviewed, further consultation held with industry and acceptance of the model.	Please refer to the response above.
Consultation has not been acceptable. It was unreasonable to hold consultation when stakeholders in the Namoi were managing flood impacts and salvaging crops.	The department acknowledges the difficulty faced by stakeholders during the recent floods and will aim to improve the timing of consultation in the future. In response to the flooding events, the department extended the public submission period for the Namoi Unregulated River water sources from 29 January 2023 until 28 February 2023.

Issue	Department response
Object to the extension of the exhibition period for the Namoi unregulated river until 28 February with a public meeting in Gunnedah on 7 February. This extension is biased towards one set of stakeholders.	The department extended the public submission period for the Namoi Unregulated River water sources as a public meeting could not be scheduled for these stakeholders until early February 2023. The department views this approach as equitable to these stakeholders.
The role of the rainfall runoff exemption is not clear in any of the reporting on modelling results.	Noted.
There is no information on cultural entitlements for First Nations Peoples.	The NSW water strategy prioritises Aboriginal people's water rights. The department is co-designing a state-wide Aboriginal Water Strategy with Aboriginal communities to ensure continued access to water.
There should be no floodplain harvesting permitted until the effects of climate change are considered.	Noted.
There should be no floodplain harvesting until the 9,500 ML required to meet SDL under the Basin Plan is recovered.	Licensing of floodplain harvesting allows for total take to be managed to existing limits. The gap between existing limits and the sustainable diversion limits specified in the Basin Plan is being met by the Commonwealth government through water purchases and investment in efficiency measures.
There needs to be requirements for the installation of accurate, tamper proof and reliable measuring equipment with constant monitoring of data.	The requirements for measuring floodplain harvesting are specified in Part 10 of the <i>Water Management (General) Regulation 2018</i>. For more information on floodplain harvesting measurement, please refer to our website https://water.dpie.nsw.gov.au/home
Some water users are not being issued a floodplain harvesting licence and existing unregulated river access licence excludes them from accessing overland flow that inundates their farm. There is an urgent need for this to be addressed.	The department is working on this issue as a matter of priority. Based on initial assessments, this appears to be restricted to a small number of properties. The department will work with these landholders, WaterNSW and NRAR to resolve the issues identified as soon as is practical.

Issue	Department response
The measurement requirements are unrealistic due to the shortage of duly qualified persons.	Noted.
Do not support the exemption for rainfall runoff	The exemption for rainfall runoff collected in a tailwater drain applies throughout NSW. It acknowledges the difficulty in distinguishing between rainfall runoff and used irrigation water collected in a tailwater drain for the purpose of measurement and accounting.